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10 October 1961

MEMORANDUM FOR: The Special Group

SUBJECT: Current Intelligence and Covert Action Activities
in Berlin and West Germany

1. Mr. David E. Murphy, my representative on the Berlin Task Force, has just returned from a trip to West Germany and Berlin where he reviewed the progress being made on actions taken by our station there in support of the U.S. position on Berlin. I am forwarding a copy of his trip report which I believe will be of interest to the members of the Special Group.

2. Mr. Murphy's report describes changes that have occurred in the operational and political climate in the German area since the closing of the Berlin sector borders. Some of these suggest modifications or changes in emphasis in the CIA Covert Annex to the U.S. Contingency Plan for Berlin which was reviewed by the Special Group on 17 August and has served as a basis for our planning and action since that date.
The areas of chief concern are:

a. Intelligence Collection - Whereas the Covert Annex called for an expansion of collection of information bearing on the Berlin crisis, we have been unable to maintain pre-August 13 levels in Berlin. East Germany has taken its place as a "Denied

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area" similar to but presenting today more difficulties than the other European satellites insofar as collection operations are concerned.

b. Covert Action Missions in East Germany -

those residents we still have
available should be used for intelligence collection purposes
to the exclusion of the type of action indicated above.

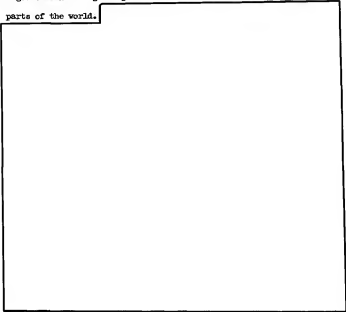
c. Paramilitary Operations - Concern over the emergence of an atmosphere in West Germany which will no longer condone large scale American clandestine activities, and the decline of our collection capabilities have led us to modify somewhat the relatively modest paramilitary effort approved by the Special Group. Greater emphasis will be placed on having ready contingency teams which can supplement our remaining resident agents in situations where timely intelligence may determine our course of action.

d. Propaganda Operations Aimed at East Germany - This program is proceeding along the lines outlined in the Covert Annex.

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e. Stimulation of World Wide Support for the U.S. Berlin Position - The Berlin Base has expanded its covert action operations to channel to CIA assets elsewhere in the world the dramatic story of the Berlin "wall." These efforts contribute a great deal to a growing awareness of the Berlin issue in other parts of the world.



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[REDACTED]

f. Programs Aimed at West Berlin - These programs have had to be expanded since the closing of the sector border. As indicated in paragraph 12 of the attached report, morale remains a critical problem. Actions to maintain the viability of the city cannot be delayed and we are proceeding to exploit existing covert contacts [REDACTED]

These new programs tie into longer range plans to link West Berlin's future with the needs of the underdeveloped countries, giving West Berliners thereby a new sense of mission. [REDACTED]

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[REDACTED]

We expect that with time other agencies of our government, private American foundations, the Federal Republic and other NATO powers will take steps to increase the scope and effectiveness of this effort on a long term basis.

[REDACTED]

3. The trip report also touches upon the need for greatly improved coordination by CIA of the clandestine operations of the military services

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in Germany as a result of the changes that have occurred. This is being followed up by our Chief of Station in Germany and our Chief of Base, Berlin.


~~ALLEN M. DULLES~~
Director

1 Attachment - Trip Report

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10 October 1961

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MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director (Plans)

SUBJECT: Trip Report - Germany, 28 September - 4 October 1961

1. This memorandum is for the information of the Director. It covers a trip to Germany from 28 September through 4 October 1961.

Intelligence Collection.

2. The collection of intelligence on Soviet and East German intentions with respect to Berlin was recognized as the German Station's principal task. It is now possible to assess the effect of the closing of the Berlin sector borders on 13 August on this effort. Out of [] BOB agents equipped with some form of two-way communication, 12 have established contact and are now reporting. Their life expectancy as agents is limited by their own motivation to continue (at present exceedingly low) and our ability to supply them []

[] To do this we need couriers who can visit East Berlin. This is made difficult by the increasing reluctance on the part of persons who are still permitted to enter East Berlin to risk arrest in the face of extremely severe border controls and much harsher security measures once inside. Not only have these measures complicated agent resupply but they have brought to a standstill the recruitment of any new East Berlin or East German sources.

3. A review of new approaches to this problem from West Germany has been completed. The findings are:

- a. The recruitment of [] businessmen who regularly visit East Berlin, Leipzig, Dresden and other major Soviet Zone cities offers good opportunities. So does the exploitation of the East German "returnee" and those "CDR" officials who travel or are assigned abroad. []

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b. "Black" crossings of the zonal border between East and West Germany are not suited to current intelligence collection operations. This method of infiltration may be used in an emergency for our contingency teams (see below) but it should not be considered at present. The physical obstacles grow more formidable each day and the forced evacuation of all residents from the border area makes the job of the border guards that much easier.

Coordination.

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4. General Clay's expressed concern over the grave political implications of intelligence operations in Berlin led me to recommend to [redacted] Chief of Berlin Operations Base, that he draft, for COS, Germany and Headquarters approval, a memorandum to the service intelligence heads in Berlin outlining for them the new procedures for coordination that have been necessary as a result of the changes in the operational environment in Berlin since 13 August 1961. In my view, neither the depth of information required nor the procedures put into effect while I was in Berlin are adequate to meet this new situation.

5. Ambassador Dowling voiced similar concern to Mr. Hugh Cunningham and myself during our visit with him on 2 October. He noted recent manifestations of West German concern over the U.S. position on Berlin and the future of Germany. While the Federal Government will not choose "to go it alone" it will, for internal political reasons, probably react more critically to U.S. policies and actions. Therefore, he believes West German tolerance of American intelligence "flaps and compromises" involving citizens of the Federal Republic is almost certain to diminish in the future. He requested therefore that Hugh Cunningham bring this to the attention of the U.S. service intelligence chiefs in the Federal Republic. This, together with the Berlin aspects of the same problem, was raised with the new ACBI, General Fitch, and the new G-2 USARBR, Maj. General Walter, on 3 October.

Contingency Actions in Support of the Berlin Issue.

6. A Special Operations Unit has been established directly under the German Station to prepare for and carry out operations aimed at East Germany in the intelligence and covert action fields which may be required in periods of increased tension connected with the Berlin crisis. [redacted]

The unit will:

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a. Select [redacted]

[redacted] agents who can be infiltrated into East Germany whenever this is required by developments in the Berlin crisis.

b. [redacted]

c. Establish a "black" radio capability which can be directed at East Germany in a contingency situation or whenever we are authorized to do so. This capability will include a small production group of former East Germans with experience in the SED and East German Government organs and in propaganda units within the East German Armed Forces. To carry the content we will use two 10 KW transmitters for broadcasts on regime wave lengths as well as one or two high frequency mobile transmitters to cover military communication nets.

d. Create a unilateral balloon team to handle, when authorized, leaflets prepared by the same production staff noted above. We are not supporting ballooning now on the part of political parties or emigre groups nor will we until so directed. So far it is clear there will be no ballooning supported by us as long as air access to Berlin continues unobstructed.

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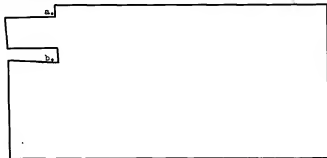
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Effect of Berlin Contingency on CIA War Plans.

7. During our discussions with Mr. Bruce Cheever, Deputy Senior War Planner, Europe, we outlined the way in which overall U.S. contingency planning on Berlin was being handled in Washington and related it to the CIA plans noted above. Mr. Cheever then reviewed EUCOM planning in response to the Washington contingency plans. Some of this work centers around the effort to adapt current NATO planning to tripartite programs such as LIVE OAK. Certain aspects of this effort affect CIA directly, as in the case of EUCOM's planning on action to take in the event of an East German uprising. These discussions did serve to underline an aspect of Berlin contingency planning we may have overlooked. At present, the CIA-EUCOM Command relationship will go into effect automatically if there occurs an order for a reinforced alert (ORA). This order, geared to NATO defensive planning, would come if hostile attacks were believed imminent. Under certain aspects of Berlin contingency planning, an ORA may come about under different circumstances and without it being necessary to activate the Command relationship even though COS might wish to take some of the measures provided for in an ORA. We all agreed that existing war plans would be checked in light of changes that might occur if some Berlin contingency plans are activated.

Current Covert Action in Support of the Berlin Issue.

8. The following actions aimed at the East German targets were discussed:

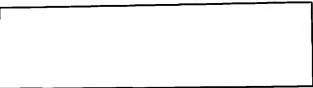


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9. All German Station bases, and in particular BOB, are increasing their efforts to stimulate world-wide support of the U.S. position on the Berlin issue. A steady stream of human interest stories and photographs all datelined "Berlin" is being circulated to our other stations for use in their own programs. This freshness and depth of local color is essential to the world-wide effort and BOB was told to expand their activities in this field. To make their work and that of the other German Station bases more effective, we will henceforth send them each a copy of the new "Highlights of Covert Action" which is pulled together on a weekly basis here at Headquarters.

10. 

11. As for covert action to bolster the morale of West Berlin and insure the long term viability of the city, considerable time was devoted to reviewing with BOB plans in the cultural and economic fields being developed by the Berlin Senat and other overt departments and agencies of the U.S. Government. It was agreed that CIA involvement should be limited to that requiring covert support and showing promise of helping CIA programs in the underdeveloped countries.

West Berlin Morale.

12. So much has been said about the morale of the West Berliners since 13 August that I almost fear it has become a somewhat distasteful subject. However, it must be faced, particularly as we in the West prepare to commit large sums to create "a new sense of purpose" for the West Berliners who overnight saw their hopes (however irrational) of a united Berlin disappear. They are extremely edgy, the exodus of the

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faint-hearted is already underway and those remaining watch anxiously for any further sign of Allied weakness or irresolution. The Berlin Senator for the Interior has confirmed the veracity of press stories to the effect that approximately 2,000 persons leave Berlin each week for West Germany. The closing of the border and the boycott by West Berliners of the city's East German controlled elevated railway system have made noticeable changes in the daily pattern of life. Stores, theaters and restaurants which relied chiefly on East Berlin patronage have been badly hit and their plight is exploited by East German propagandists in radio and TV programs directed at West Berlin. While the general level of commercial and industrial activity remains high, these warning signs cannot be ignored. West Berliners are particularly concerned about the access problem and would be most sensitive to any harassment of civilian traffic by train, bus, private car or air. Any form of harassment of access which went unchecked by the West for long would serve greatly to accelerate the rate of departure from the city.

East Berlin and East German Morale.

13. We are receiving more and more evidence that a revolutionary situation is building up all over East Germany. All segments of society, each with their own specific grievances, are beginning to manifest their intense hatred of the regime in many ways which, although short of open defiance, are extremely irritating and probably indicative of things to come. Despite this, the regime continues to increase its pressure everywhere as though driven to meet increasing resistance, however passive, with further applications of force. It is still unlikely that these emotions will take the form of an uprising on any substantial scale. However, it is no longer possible to say that the people cannot be goaded into a spontaneous uprising, however hopeless the odds. On one thing, though, our officers in Berlin agree unanimously. If the Allies, for any reason whatsoever (defense of air access against hostile fighter aircraft or ground fire, a land probe along the autobahn, etc.), are forced to resort to military measures against East German troops, this will be the signal for a revolt of grave proportions. No one in East Germany will stop to think whether the Allies mean to support them or not. In any situation in which the East German military come under any sort of Allied attack, the population in the vicinity will turn on the East German formations, on party functionaries and on security officials with a viciousness born of despair that will make Hungarian treatment of the AVE seem mild by comparison.

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